COUNTY COCONINO	AREA GRAY M	MOUNTAIN LEASE 1	NO. BABBITT FEE
WELL NAME MCCABE ENRGY	1 BABBITT		
LOCATION NE SW S	SEC 9 TWP 27N KB SPUD DATE 7/	RANGE 9E FOOTAGE 1 STATUS D 29/2005 COMP. DATE 8	TOTAL
CASING IZE DEPTH 9 5/8" 1608' 7" 3400'	660 sxs	DRILLED BY	C ROTARY X CABLE TOOL C RESERVOIR NONE CODUCTION NONE
FORMATION TOPS D	SOURCE EPTHS L.L. E	.L. REMARKS	
ELECTRIC LOGS HDI, SDL/DSEN	PERFORATED INTER	RVALS PROD. INTERVALS	SAMPLE LOG X SAMPLE DESCRP. X SAMPLE NO. /907 CORE ANALYSIS DSTs
REMARKS DRILLED INTO CAN	1 1BRIAN TAPEATS AND T	CESTED OPEN HOLE - WET	APP. TO PLUG X PLUGGING REP. X COMP. REPORT X
WATER WELL ACCEPTED BY I	SABBITT RANCHES		
BOND CO. CASH BOND BOND AMT. \$ 10,000.00		DATE 10/27/ ORGANIZATION	REPORT YES, 10/27/04
FILING RECEIPT 3128 API NO. 02-005-20035		WELL BOOK X	
PERMIT NUMBER 922	DATE ISSUED	10/29/2004 DEDICATION _	N 1/2 SW QTR

(over)

	WELL	COMP	LETIC				PLETIC			T ANI) WEL	L LO	3		
Nous To	mnorant	Made					OF COMP	PLETIO	• •						
New X At	emporary pandon 🔲	Over	☐ Deep	en 🔲	B	lug ack 🔲	Same Reservoir		Diffe Rese	rent ervoir 🗖	Oil [⊐ G	ias 🔲	Dry	X
	111			DES	CRI	PTION OF	WELL AND	LEAS	E						
Operator M	CABE	ENERI	54. la	باك.			Address Po B	& Pho	ne No. 3816 .	Mis	LAND -	TY 70	7702		VII.2
Federal, State of	or Indian Leas PABBIT	e Number	or name o	f lessor i	f fee	lease	Well Nur	mber		d & Rese	rvoir				
Location	ו/ ומכורי			···			C	ounty			OCAT				
1980'	FSL &	1980	' FW	<u>'</u>					Coca	סטועו			***		
Sec. Township-	_	9E													
Date spudded 07-29	- 05	Date total	depth rea -/2-0		Da pr	ate comple oduce	ted, ready t	to I		(DF, KB, 054	RT or Gr.)		tion of cas flange	_	
Total depth	45	P.B.T.D.	· <u>-</u> -	<u> </u>	Sir	ngle, dual,	or triple cor	прletio		if !	feet his is a dual o nish separate	r triple come report for e	pletion each	10	feet
Producing Inter		completion				,, <u>.</u>	Rotary to			CO	mpletion		sed (interva	al)	····
117 452 (8.1)									5445		i				
Was this well d	,	lled? W	as directio		ey m	ade?	Was copy	of dire √		irvey filed	ŧ	filed <i>0 - D S</i>	05		
Type of electric	or other logs DL/DS	un (check	logs filed v	with the (Com	mission)		_/-			Date	filed			
1					-	CASING R	RECORD				1 /6	<u> </u>	ν,		
Casing (report a	all strings set	in well d	conductor,	surface,	inte	rmediate, j	oroducing, e	etc.)	•					~	
Purpose	Size h	ole drilled	Size	casing se	t	Weight	(lb./ft.)	1	Depth set		Sacks ce	ment	Amou	ınt pul	led
SUC-F	12'		9	5/ 8 "	+	34	,	1	08.2	8	350 (21B. =	NO CIB	<u> </u>	
Prod	8:	14	-	2"	\Box	23			3400				1467		7/[
			<u> </u>												
Size	TUBING RE						1 =			RECOR					
in.	Depth set	ft.	cker set a	ft. Size	e —	in.	Тор	ft.	Botton		1	cement	Scree	n (ft.)	
	PERFO	RATION RI	CORD	11.		111.	AC			— f		OHEE7	 E RECORI		
Number per ft.	Size & typ	,		pth inten	/al	,	Amour	nt & kin	d of mate	rial used	JEINEIVI S		interval	ט	
	_			·····			 		=0						
	_						-				 - -	****			
-			_				-				_		·		
	<u></u>			****							-				
Data of first and							DUCTION								
Date of first prod							, gas lift or p	pumpin	g if pur	nping, sh	ow size & t	ype of pu	nwb)		
Date of test H	lours tested	Choke	size	Oil prod	. dur	ing test bbls.	Gas prod.	. during	test MCF	Water p	rod. during	test bbls.	Oil gravit	ty API	
Tubing pressure	Casing p	ressure	Calculated production	rate of per 24 hrs.		Oil	bbls.	Gas		MCF V	Vater		Gas - oil		
Disposition of gas	s (state wheth	er vented,	used for fu	rel or sol	d)	·	DDIO.	<u> </u>		vici į	****	bbls.	1		
CERTIFICATE: I				ty of perj	ury,	state that I	am the		$-\mathcal{L}$	EGUL	ATORY	AG	ENT	of ti	he l
	BE SUE	1 '	AIC.		(соп	npany), an	d that I am	authori	zed by sa	id compa	ny to make	this rep	ort; and th	at this	s
report was prepar	ed under my	supervision	and direc	ction and	that	the facts s	stated there	in are t	rue, corre	ect and co	mplete to	the best	of my knov	włedge	е.
11/02/03							#	\mathcal{U}	an	1	225	//_			
Date)			·····			Signatu		*	7	an	<u>U</u>			
			···			······································	Orgrand	~ ()			<i></i>		.,,,		
						-	($> \sim_{\mathfrak{s}}$	TATE) OF ARIZ	ONA			
								OIL 8					MISSIO	N	
			Mail complete	ed form to:	miet.	dente.							nd Well Log		- 1
Permit No. 92	2		O∄ and Gas I Arizona Geol 416 W. Cong	ogical Surve ress. #100	ey	on 81Ct			•		Опе Сору		311 201	,	ļ
remm No. 10			Tucson, AZ 8	5701			Form No.	4			-1-7				1

DETAIL OF FORMATIONS PENETRATED

FORMATION	TOP	воттом	DESCRIPTION *
Kaibab Coconino Supai Group Red Well Temple Butte Muav Bright Angel Tapeats	Surface ? ? 1,790 2,715 2,970 3,205 3,390 3,416	? 1,600 1,790 2,715 2,970 3,205 3,390 3,416 TD	Interval not logged Interval not logged

^{*} Show all important zones of porosity, detail of all cores, and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.

Attach drillers log or other acceptable log of well.

Attach drillers log or other acceptable log of well.

This Well Completion or Recompletion report and well log shall be filed with the Oil and Gas Program Administrator, Arizona Geological Survey, 416 W. Congress #100, Tucson, AZ 85701 not later than thirty days after completion pursuant to A.A.C. R12-7-121.

To: Oil and Gas Administrator
 Arizona Geological Survey
 416 W. Congress, Suite 100
 Tucson, Arizona 85701

This is to advise you that I accept the abandoned oil or gas exploration well, known as the Babbitt #1 , located on the NE/4, SW/4 (quarter-quarter) of Section 9 , Township 27N , Range 9E , County of Coconino , Arizona, as a livestock water well.

of Section 9 , Township 27N , Range 9E , County of Coconino , Arizona, as a livestock water well.

I accept full responsibility for the proper maintenance and use of the above well, including its final plugging, in compliance with rules of the Arizona Department of Water Resources (12 A.A.C. 15).

I understand that I am responsible for compliance with the provisions of the State Groundwater Code, A.R.S. Title 45, Ch. 2, Article 10, and with any applicable requirements of the federal government.

Signature

Babbitk Ranches, LLC

Address

P.O. Box 520

Flagstaff, AZ 86002

State of County of Wound On this, the 18th day of October ____, 20,05, before me LUANa BUZZELL the undersigned officer, personally appeared William C. Cordosco to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and therein contained. In witness whereof I hereunto set my hand and official seal. Luana Buzzell Notary Public OFFICIAL SEAL LUANA BUZZELL NOTARY PUBLIC - STATE OF ANIXONAL MISSION expires **COCONINO COUNTY** My commission expires June 29, 2007.

Permit Number <u>929</u>

OIL & GAS CONSERVATION COMMISSION WATER WELL ACCEPTANCE FORM 26 - File one copy

			PLUGG	ING R	ECORD		i				
Operator McC	Cabe Energ	y, Inc.	•	Vado	Box 38	number	Midla	nd,TX	79702	432,	682=
	Indian Lease No. or	r lessor's name	e if fee lease	Well No.	Field & F	leservoir dcat					9650
Babbitt Location of Well	T 0 40001	Tall, J.T.					wp-Rge 27N 9E		County	onino	
	SL & 1980' I this well was filed i		Has this well ever	Cha	racter of well	at compl	letion (initia	f production)	<u> </u>		-
McCabe E	Energy		produced oil or gas N o	s?	Oil (bbls/day	/)	Gas (M	CF/day)	Dry'	YES	
Date plugged 08/13/05		·	Total depth 3445 !	Amo	unt well prod Oil (bbls/day	ucing wh	en plugged Gas (N	: fCF/day)	Water (b	bis/day)	
	mation containing	Fluid conter	1 of each formation	Der	th interval of	each forn	mation	Size, kind &	depth of plu	ıns used.	
oil or gas. Indicat	e which formation at time of plugging	, iaio somo					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	I Indicate zor	nes squeeze unt of cemen	cemented.	
Dry Hole	>	N/A									
					 						
							_				
			CASI	NG REC	ORD	•	•	I			
Size pipe	Put in well (ft.)	Pulled out ((ft.) Left in well (meth	depth and lod of parting log (shot, etc.)		f	ackers and sl	hoes		
9 5/8"	16091		1609		ig (ener, ever)	1 1	608.8	81			
711	34001		3400	1		floa	it sho	е @ 33	98.881		
Was well fille	ed with heavy drilling	mud, accordi	ing to regulations?	Indi	cate deepest	formation	n containing	fresh water			
	yes NAME AND ADDI	RESSES OF	ADJACENT LEA	SE OPEF	ATORS OF	OWNE	RS OF TH	IE SURFACI			
Name		Addre						from this well			
None											

In addition to other	er information require	ad on this form	if this wall was als	raged book	for use so a s	rook wat	or well give	oli portinent	detelle of ul-		
operations to base	e of fresh water sand completion of this v	d, perforated in	nterval to fresh water	er sand, na	me and addre	ss of sur	face owner	, and attach le	tter from su	face	
1. 50 sx	across or	oen hol	e 2. Not	perf	orated	=ope	enhole	3400-	3445 •	uireą.	ı
3. Babbit	tt Ranches	s LLC,	PO Box 52	0, Fl	agstafi	₹ , AZ	8600			ordas	co=Pres
Use reverse side	e for additional de	tail	,				92	28/774-	6199		
	the undersigned, ur	•					ory Ag	*		_ of the	
	nergy, Inc ed under my superv		(compa	ny) and tha cts stated t	t I am autiĵori herein are tru	zed by sa e, correct	aid compan t and comp	y to make this lete to the bes	report; and t of mv knov	that this /ledge.	
				۷	Alla			\sim	\ .		
October	5, 2005				Sippature	by	-10	M	}		
					$I(\mathcal{I})$						
						ST	ATE OF	ARIZONA			
					O!L & 6			ATION COM	MISSION	ı	
Permit No. 009	11.	Oil and 6	npleted form to: Gas Program Administrat Geological Suprey	or			Plugging				
Permit No. W/1	le level	416 W. C	Geological Survey Congress, #100 AZ 85701-1315	Forn	n No. 10		File One	Сору			

APPLICATION TO PLUG AND ABANDON

FIELD Wildcat			The second secon	
OPERATOR McCabe Er	nergy, Inc.	ADDRESS & PHONE	PO Box 3816, Midl	and, 79702
LEASE NUMBER (Lessor's nam	•		WELL NO	
OCATION 1980 FSI	. & 1980' FWL			
YPE OF WELL Dr	ryhole (Oil, Gas	s, or Dry)	TOTAL DEPTH3	445'
ALLOWABLE (If Assigned)				
AST PRODUCTION TEST	OIL	(Bbls.)	WATER	(Bbls.)
	GAS	(MCF)	DATE OF TEST	
PRODUCING HORIZON		PRODUCING FROM	TO	
. COMPLETE CASING RECOR	RD:			
9 5/8" 7"	36# @ 1,609 23# @ 3,40	8.28 - 350sx ClB, 0.00 - 156sx prem,	310 sx ClB 146sx Type III	
		ss open hole & ver	rify tie backinto	7" casing
		ss open hole & ver	rify tie backinto	7" casing
		ss open hole & ver	rify tie backinto	7" casing
Plug well	L. 50sx acros	ss open hole & ver	rify tie backinto	7" casing
2. FULL DETAILS OF PROPOSI Plug well DATE COMMENCING OPERATION	ONS August	13, 2005 Management, Ltoores		
Plug well	ONS August	13, 2005 Management, Ltoores Management Agent	Ss P.O. Box 272,M	
Plug well	ONS August RK Cambrian N Sign Title	13, 2005 Management, Labores Agent P. Box 272, Midl ress October 5, 2005	Ss P.O. Box 272,M	

WELL NAME AND NUMBER Babbi	it No. 1		
LOCATION 1980' FSL, 1980'	FWL, Section 9, T27N,	R9E, Cocon	ino County CO
OPERATOR McCabe Energy, In			
DRILLING CONTRACTOR Unite	d Drilling, Inc.		
			. 1
The undersigned hereby of the drilling contractor ducted deviation tests and d			ed representati ell and had con
Degrees @ Depth	Degrees @ Depth		Degrees @ Depth
3/4° 168'	5-1/4° 2673'		
3/4° 307'	6-1/4° 2797'		
3/4° 461'	6-1/2° 2893'	_	,
1° 643'			
_1-3/4° 798'			<i>'</i>
<u>2-1/2° 1049'</u>			
2-3/4° 1238'		_	
4-1/2° 2484°			
:	D 4124		
•	Drilling Contractor	11/1.	
	Ву:	George/A. Ah	1. ars
	Title:	Business Man	ager
Subscribed and sworn to befor	e me this 22^{nq} day	of Aug	ust,
20 <u>0</u> 5	Carles	u Ma Notary Pybli	This
My Commission Expires: /0/08/	la Chaus	New /	Mexico

4 Nama of Oar	for Macaha E-	normy Inc					
 Name of Opera OIL WELL 		GAS WELL	OTHER (Spe				
			OTHER — (ope				
3. Well Name							
	1980' FSL			0.5		Cococino	Arizona
		<u> </u>	_				
4. Federal, State of	r Indian Lease N	lumber, or lessor's name	if fee lease				
5. Field or Pool	Name	Wildcat					
6. Check Appro	priate Box to Ind	licate Nature of Notice, Re	eport or Other Data				
	NOTICE OF I	NTENTION TO:		SUBS	SEQUENT REPO	ORT OF:	
TEST WATER SE FRACTURE TRE SHOOT OR ACID REPAIR WELL	AT	PULL OR ALTER CASI DIRECTIONAL DRILL PERFORATE CASING CHANGE PLANS	FRACTU	SHUT-OFF RE TREATMENT NG OR ACIDIZING	REF ALT	EKLY PROGRESS AIRING WELL ER CASING NDONMENT	x x
(OTHER)			(OTHER))			
						ults of multiple completi impletion Report and Lo	
bottom. RU BJ cer Seal. Tail – 146 st Cements. WOC. Excess casing abov 79 jts 7" 23# K-55 L' 7" float collar 1 jt 7" 23# K-55 LTC	nenters and cerr ks Type III cerrk e KB TC 3:	0'. Circ samples. LD dril nent w/ Lead – 156 sx pr ent w/ .7% FL-62, .4% C -14.46 368.92 1.06 43.36	emium lite hiah tstrenc	ith .25 pps cello fla	ke. 1% FL-52. 2	% Kcl, 3# CD-32, 1% !	R-3 & .25 pps Max
7" float shoe		1.12					
		20 jts & every 4th jt. 20 to				W 1.000 de	
08/12/05 – RIH w/ 6 no evidence of wate equipment @ 9:10pr	.25" bit & 3.5% or rentry. Drill to 3 m POOH w/ drill mple of formation	ng head, BOP & other eq irilling assembly. Drill out 429' and started picking u string & LD DCs. Close water to Flagstaff for an Begin ND.	t float collar, cement & up 25 bph water flow. I well in.	float shoe with foar Drill to 3445' and wa	m. Drill 2' forma ater flow increas	tion and circulate. 7° si ed to 150 bph. Release	ed Weatherford air
	BOPS&NU W	H. Clean pits. Release ri	ig.				
Signed:	that the foregol	ng is true and correct.	Title	OIL & G	TE OF A	Date 08/08/0 RIZONA SERVATION SION	
ermit No	VVJZZZ			Sundry i	Notice and Re File One C	eports on Wells opy	
			Form	No. 25			1

1.	. Name of Operator <u>McCabe</u>	Energy, Inc.			
2.	OIL WELL	GAS WELL ☐ OTHE	ER (Specify)		
3.	. Well Name <u>Babbit</u>	t#1	***************************************		and the second
	Location 1980' F	FSL & 1980' FWL	T-Marine		
	Sec. 9	Twp27N	Rge9E	County <u>Cococino</u>	, Arizona.
4.	Federal, State or Indian Leas	se Number, or lessor's name if fee le	ease	May and the second seco	
5.	Field or Pool Name	Wildcat		****	
6.	Check Appropriate Box to	Indicate Nature of Notice, Report or	Other Data		
	NOTICE O	F INTENTION TO:	SUBSEC	NUENT REPORT OF:	
ļ	TEST WATER SHUT-OFF FRACTURE TREAT SHOOT OR ACIDIZE REPAIR WELL	PULL OR ALTER CASING DIRECTIONAL DRILL PERFORATE CASING CHANGE PLANS	WATER SHUT-OFF FRACTURE TREATMENT SHOOTING OR ACIDIZING	WEEKLY PROGRESS REPAIRING WELL ALTER CASING ABANDONMENT	x x
((OTHER)		(OTHER)		
			(NOTE	: Report results of multiple complet etion or Recompletion Report and L	ion on Well
08/ rub 08/ bot Sea Cei Exc 79 j	rrk. <u>/09/05</u> – Circulate hole clean. xber. RIH w/ bit #3 and drill str /10/05 – Drill to casing set @ 3 ttom. RU BJ cementers and c	Tally drill string out of hole. Waiting. Drill to 3396'. 3400'. Circ samples. LD drill string.	ocations, and measured and true vert on loggers. MIRU Howco Loggers 8 Wait 1.5 hrs for csg crew. RIH w/ 7* lite high tstrength .25 pps cello flake, % R-3, .25 pps cello flakes. Bumped	k log well. RDMO Howco. Change csg string set as detailed. Make su	e out rotating head
	loat shoe	1.12			
Tub	prolizers on (mld) shoe joint, ne	ext 20 jts & every 4th jt. 20 total.			
08/1	11/05 – WOC. ND flowline, ro	tating head, BOP & other equipment	t. Move 3.5" string onto racks. Cut of	7" csg. NU wellhead, BOP, etc.	
08/1 no e equi 08/1 hrs a	12/05 – RIH w/ 6.25" bit & 3.59 evidence of water entry. Drill to ipment @ 9:10pm POOH w/ o 13/05 – Send sample of format and tag TOC @ 3306'. LD DE	% drilling assembly. Drill out float co o 3429' and started picking up 25 bp drill string & LD DCs. Close well in. tion water to Flagstaff for analysis. P. Begin ND. WH. Clean pits. Release rig.	ollar, cement & float shoe with foam. In the control of the contro	Orill 2' formation and circulate. 7" s flow increased to 150 bph. Release	ed Weatherford air
7.	I hereby certify that the lores	going is true and correct.			
J.	Signed:	AND TO	OIL & GAS	Date 08/08/0 E OF ARIZONA S CONSERVATION MMISSION	05

2. OIL WELL	GAS WELL ☐ OT	HER (Specify)_				
Well Name Babbitt	•	(1 //-				
	SL & 1980' FWL				<u>-</u>	
Sec. 9		Rge98				, Arizon
•	e Number, or lessor's name if fee					
	Indicate Nature of Notice, Report					
	F INTENTION TO:		SUBSEQUE	ENT REPORT	OF:	
TEST WATER SHUT-OFF FRACTURE TREAT SHOOT OR ACIDIZE REPAIR WELL	PULL OR ALTER CASING DIRECTIONAL DRILL PERFORATE CASING CHANGE PLANS	WATER SHUT FRACTURE TI SHOOTING O	REATMENT			
(OTHER)		(OTHER)	Cement Surfac	e Casing & Dr	ill	X X
			(NOTE: F Completion	Report results on or Recomple	of multiple completion etion Report and Log	n on Well , Form 4)
eg crew. MIRU cements. Mix & urry @ 310 sx cl B 21 1% CaCl 10 sx cl B w 3-4% CaCl downing cement to surface. Make sown. 3/03/05 — Cut off & trim conducted in steel pits. Prepare to test \$1004/05 — MIRU BOP acculmulates those — 1608". TOOH hole rer 23' high. Attempt to wash dutimated @ 75-80 bph. Resume	w/ shoe, shoe jt (42.63'), float cox pump 40 bbls aqua-gel spacer, & .25 PPS CF tail slury. Bump jt pipe w/ no returns to surface. The true that cement is at surface for the street of the street of the surface for the surf	30 bbls water, 375 sx oplug @ 650 psi. Float h RDMO cements. Orde ½ hour ok. Cement dic head & NU wellhead fla ogger. & float to 1000 psi – ok. et got returns in 5 min. stall check valve betwe ter. Water flow has gra-	as a Waz-% metasilica eld ok. No returns to er & Wait on 10 yds i not fall back. WOO nge, annular BOP, i Continue RIH w/ bit Began to get waterfien air comp and m dually increased to 1	te, 2 PPC glist hroughout job. redi-mix conce c. Lined up ca rotating heads & BHA. Drill of low (est 40 bp) hud pumps. V 100 bph – catcl	Consult w/ Steve R rete. Dump redi-mix sing cut off for 6:30a & flowlines. Begin but float collar and sh h). Pull bit up 40', R Vash to bottom w/ fl h sample. Drilled 32	lauzi. Top out vidown annulus am. Begin nipp premixing drilling the Lost returnit to bottom, taudd. Water flow in 11 hrs.
/05/05 – Drilling with alternating hearly notice. Schedule deliver	g air (mist) and aerated water. Tery of 3 ½" drilling pipe & tools. S	'akes 10-12 min to rega Survey @ 2484' – 3 degi	in retums after each rees. ROP – 25'/hr.	connection. 23.5 hrs rotat	Contact cementers a ing today.	nd casing crew
duced weight to 15K, deviation grees, 2673' @ 5 ¼ degrees, 2 /07/05 – Survey @ 2987' – 6 ½	tion air & water. Backed weight increased to 6 ½ degrees decre 797' @ 6 ¼ degree, 2861' @ 6 ½ degrees, tost returns for 1 ½ hr	eased weight to 10K. C 4 degrees. 22.5 hrs rota	delievered and unloating.	aded 3 1/2" DP,	, racks, etc. Surveys	s: 2484°@47
ag on pipe during connections. /08/05 – Increased WOB, Gav 56' & circulated samples./Circu	e notice to HOWCO loggers. Lin lated until 6:00am. TD @ 3356'	ed up casing crew for 1	:00am Tuesday @ c	cementers for t	5:00am Tuesday. St	opped drilling (
I hereby certify that the fore	going is true and correct.		STATE	OF ARI		
mit No. 00922				MISSI	NC	
)			e One Copy		
(02)	. }	Form No. 2	5			be

dus

Name of Operator <u>McCabe Energy, Inc.</u>	· · · · · · · · · · · · · · · · · · ·				
2. OIL WELL GAS WELL	OTHER 🗆	(Specify)			
3. Well Name Babbitt #1					
Location 1980' FSL & 1980' FWL				***************************************	
Sec. 9 Twp. 27	<u>/N</u> R	Rge. 9E		y <u>Cococino</u>	, Arizona.
4. Federal, State or Indian Lease Number, or lesso	r's name if fee lease				
5. Field or Pool Name W	ildcat		·	· · · · · · · · · · · · · · · · · · ·	
6. Check Appropriate Box to Indicate Nature of I	Notice, Report or Other I	Data			
NOTICE OF INTENTION TO:			SUBSEQUENT	REPORT OF:	
TEST WATER SHUT-OFF PULL OR ALTI FRACTURE TREAT DIRECTIONAL SHOOT OR ACIDIZE PERFORATE (REPAIR WELL CHANGE PLAI	.DRILL F CASING S	VATER SHUT-OF RACTURE TREA HOOTING OR AC	IMENT	WEEKLY PROGRESS REPAIRING WELL ALTER CASING ABANDONMENT	3
(OTHER)	(0	OTHER)	Cement Surface Ca	asing & Drill	X X
				rt results of multiple con Recompletion Report a	
DESCRIBE PROPOSED OR COMPLETED OP any proposed work. If well is directionally drilled, g work.	ERATIONS (Clearly stative subsurface location	te all pertinent de s, and measured	tails, and give perti and true vertical de	nent dates, including es pths for all markers and	timated date of starting I zones pertinent to this
csg crew. MIRU cements. Mix & pump 40 bbls agu slurry @ 310 sx cl B 2/ 1% CaCl & .25 PPS CF tail s 110 sx cl B w 3-4% CaCl down 1" pipe w/ no return bring cement to surface. Make sure that cement is a down.	sturry. Bump plug @ 65 s to surface. RDMO ce at surface for ½ hour ok	0 psi. Float held one of the control of t	k. No returns throu Nait on 10 yds redi fall back. WOC. L	ghout job. Consult w/ S -mix concrete. Dump re ined up casing cut off fo	teve Rauzi. Top out w/ edi-mix down annulus & r 6:30am. Begin nipple
$08/03/05$ - Cut off & trim conductor & 9 $5/8^\circ$ csg. In fluid In steel pits. Prepare to test BOP & RIH w/ bit #	nstall Larkin head & NU 2. RU mud logger.	wellhead flange,	annular BOP, rotat	ing heads & flowlines. I	Begin premixing drilling
08/04/05 - MIRU BOP acculmulator. Pressure test E @ shoe - 1608'. TOOH hole remove jets from bit, T fill 23' high. Attempt to wash down with air - unsi estimated @ 75-80 bph. Resume drilling alternating	'IH. Drill 5 feet got retur uccessful. Install check	ms in 5 min. Bega c valve between a	in to get waterflow (est 40 bph). Pull bit up	40', RIH to bottom, tag
08/05/05 – Drilling with alternating air (mist) and aera with early notice. Schedule delivery of 3 $%$ drilling pi	ated water. Takes 10-1 ipe & tools. Survey @ 2	2 min to regain re 2484' – 3 degrees.	tums after each cor ROP – 25'/hr. 23.	nection. Contact cemer 5 hrs rotating today.	nters and casing crews
08/06/05 – Drilling with combination air & water. B reduced weight to 15K, deviation increased to 6 ½ c degrees, 2673' @ 5 ¼ degrees, 2797' @ 6 ¼ degree	degrees decreased wek	aht to 10K. Delie	, increased rpm fro rered and unloaded	m 55 to 58. Deviation 3 1/2" DP, racks, etc. S	continues to increase, Surveys: 2484' @ 4 ½
08/07/05 - Survey @ $2987'$ - $6%$ degrees, lost retuidrag on pipe during connections.	ms for 1 ½ hrs following	survey. Had to b	ring a mud pump or	n line with air equipment	to finally circulate. No
08/08/05 – Increased WOB, Gave notice to HOWCC 3356' & circulated samples. / Circulated until 6:00am.	loggers. Lined up casi TD @ 3356'.	ing crew for 1:00a	n Tuesday @ ceme	enters for 5:00am Tuesda	ay. Stopped drilling @
7. I hereby certify that the foregoing is true and co	Tit	ie Regulat	ory Technician		V08/05
Permit No		OIL	& GAS CO	F ARIZONA ONSERVATIO IISSION	ON
(927)		5 Form No. 25		d Reports on Wells ne Copy	96

2. 0	IL WELL 🗵		GAS W	ELL	OTHER	R └ (Spec	fy)				
3. W	/elf Name	Babbitt #	1								
Lo	ocation	1980' FS	L & 1980' F	WL							
Se	ec. <u>9</u>		Twp	27N		Rge	9E	County	Cc	ococino	, Ariz
	ederal, State or Inc										
	Field or Pool Nar						Name of the last				
6.	Check Appropria	te Box to Inc	dicate Natu	re of Notice,							
	N	OTICE OF I	NTENTION	TO:			SUBS	EQUENT R	EPORT OF:		
FRAI SHO	T WATER SHUT- CTURE TREAT OT OR ACIDIZE AIR WELL		DIRECTIO	ALTER CAS ONAL DRILL ATE CASING PLANS			UT-OFF TREATMENT OR ACIDIZING	F A	VEEKLY PR REPAIRING LITER CASI BANDONM	WELL NG	
(OTH	HER)					(OTHER)_	RU & SPI	<u>UD</u>			X X
							/M:O14\	TE: Donart	onulto of mu	ıltiple completi	
							Com	pletion or Re	ecompletion	Report and Lo	g, Form 4)
7/26/05 cation serve	er and portapott - While attemp with D-9 unsue pits. - Continue RU	ys. oting to dig ccessful. I	, weid on t reserve p Began digg	its, solid roo its, solid roo ging pits wii	ok was end th trenched	pread 4 loads countered. Blands r, trencher bro	isters were not a ke down. Refal	rst section available in bricated pu	of road. So the time fr mp system	chedule deliver rame required on rig to wo	ery of fuel, tra I. Attempt to a ork straight fro
7/26/05 cation serve 7/27/05 coey li 1/28/05 nks. D	er and portapott 5 – While attempt with D-9 unsuc pits. 6 – Continue RU ine, etc. Remov – Ralse derrick, beliver annular B – Continue to R eliver to location	oting to dig ccessful. I MI remai e all drilling oP, blooey	reserve p Began digg ning parts Jine from y, derrick o line suppo t rig floor t drilling flui	its, solld roo ging pits wit of the rig a rig. Deliver climbing & C ort platforms to access ra id materials.	ck was end th trenched and air pack and fuel and Geronimo i s, flow con thole. Ins	countered. Bla r, trencher bro kage. Line red I fill rig water s ines. Replace tro! valve, etc stall inlet to bla fice trailer. Ch	of gravel on wor esters were not ke down. Refal serve pit. Cut o torage tanks. & re-string drill to location & uni- poey line for wat eck water in tank	rst section available in bricated pu ff conducto ing line, tie oad. ter injection ks – ph-7, c	of road. So the time fr mp system or pipe. We back on 10 n. RU centr hiorides – 2	rame required on rig to wo eld on flange, D lines. Fill rights riggal pump to the coordinate of the c	ery of fuel, tra I. Attempt to a In Attempt to a In Attempt to a Weld inlets ar g water storag to unload water 80.
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1.	Name of Opera	ator <u>McCabe I</u>	nergy, Inc.									
2.	OIL WELL	}	GAS WE		OTHER [☐ (Spe	cify)					
3.	Well Name	Babbitt#	1	· · · · · · · · · · · · · · · · · · ·		min.	73.36.00					
	Location	1980' FS	L & 1980' F\	V L	****		. TWIL-					
							9E					, Arizon
4.												
5.		l Name										
6.	Check Appro	priate Box to Ir	dicate Natur	e of Notice, Rep	ort or Othe	er Data						
		NOTICE OF	INTENTION	TO:			SU	BSEQUENT	REPOR	T OF:		
F 8	EST WATER SE RACTURE TRE SHOOT OR ACIE REPAIR WELL	AT	DIRECTIO	ALTER CASING DNAL DRILL ATE CASING PLANS	à	FRACTU	SHUT-OFF RE TREATMENT IG OR ACIDIZIN		REPAI ALTER	LY PROGE RING WEL CASING DONMENT		
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rese 07/2 0100 07/2 ank 07/2:	erve pits. 17/05 - Continu pey line, etc. Ro 8/05 - Raise de s. Deliver anno 9/05 - Continu k. Deliver to lo 0/005 - Well was	e RU. MI rememove all drilli errick, install gular BOP, bloo e to RU. Cut ocation & unloa	aining parts ng line from uy, derrick ay line supp ut rig floor d drilling flu	s of the rig and rig. Delivered climbing & Geroort platforms, f to access rat h lid materials. S	air packa fuel and i ronimo lin low contr role. Inst et up offic	age. Line fill rig wate les. Repla of valve, e all inlet to ce trailer.	Blasters were reproke down. Reproke down. Represented the reserve pit. Control of the reserve pit. Control of the reserve pit. Control of the reserve pit. Tighten a pipe. Tighten a	efabricated ut off condi i. drilling line unload, water injec tanks – ph	pump s uctor pip , tie bacl ction. Ri 7, chlori	e. Weld o k on 10 lin U centrifu des - 200,	rig to wor on flange, v es. Fill rig gal pump to hardness-	k straight from weld inlets and water storage o unload water 80.
,1311	011 III 1320 III 8	r wan a salat	ys (100 (U)	4, 301 @ 74, 461	@ 3/4}.		Sol	4				
98'(1/05 – Ghange @1 ¾, 1049 @ 2	rotating head! ¼).	gasket. Fo	rmation got we	et (798').	Work out	of tight hold (45'). Chan	ged to a	ir mist ba	lance. Sur	vey (643 @ 1,
ext	connection, rel	turns were lost	& did not o	come back beforing and cement	aseo (4:5) re reachii	vpm until na TD. Cii	rd lost compres 7:25pm). After culated 1 hr on ¾).	umrda zato			4 1001 2 100	
•	I hereby certify	unarine toregoi	ng is true an M.	d cogrécit.						W-	••	
	Signed:) I	<u> </u>	Ţ	itle	OIL & G	ATE OI	F ARI	RVA		
ermi	t No	00922	·					COMM Notice an	d Repo	rts on We	ells	
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Cambrian Management, LTD Daily Drilling Report

WELL NAME:	Babbitt #1					DATE	E: 8/13/200	5	
FIELD:	Angel Bright								
AFE NUMBER									
PURPOSE:									
RIG CONTRACTOR	: United Dri	ling	RIG NO	.:	<u>;</u>		PUSHEF	R Larry Marqu	ez
PRESENT OPERAT	ION: Rigging de	own drilling rig, etc.					_		
FORECAST:					_		•		
•								,	
DAY#	13		DEPTH	3406' PBTD			FOOTAGE	(<u>י</u>
•					_				
DAILY COSTS:	\$34,902	PRIOR CUM C	OST:			CUM COST	:	\$	0
•						•		 	
SUMMARY:	Sent sample of formation	water to City of Flagstaff lab f	or analysis (w/ Pus	her\	Bit	#1	#2	#3	#4
	******	imp cement plug (not available			Size	12-1/4	8-3/4"	8-3/4"	6-1/4"
		zona Oil & Gas Com. (Steve F	·····		Jets	open	none	open	
		d Dale Nations (Chairman - AZ					C Sec. II type		Varel
		0 am - Key called back & can s		n truck	SN	CO8988	729341	PP1029	Valor
		Contacted Steve Rauzi (AZ O8			in @	40	1614	3355'	3406'
		acks cement across open hole	 		Out @	1614'	3355'	3406'	3445'
		Contact rancher - honor his de			Hours	52.5	96,5	2.5	1,5
	··	"I should ask the rencher (BIII)			1000	VZ.V	80,0	<u> </u>	1.0
		zi's reponse was "yes, let him (
		Bill Cardasco to ask him if he		361					
		se was " no, he did not want a		hold	-				
		well and close the well in.	prog @ surrace . I	(G)Q			,		
		RU Key Pumping Services cent	ant numa tauck N	iv numn					
		OH 750' to 2690', wait 4 hours.			 				
		I, lay down OP. Begin Nipple d		<u>, tag</u>					
centerit biog (100 ab	over casing shoe). To	i, iay down or, begin Nippie o	Osyii.						
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Maria Mataba	D-1	2 2514						·	
Mud Weight	Rotary	Pump SPM	···· ·						
Mud Viscosity	Wt on Bit	Pump PSI							
Mud PH	Mud WL			 -					
,									
Rig (Footage)	<u>\$0</u>	Cementing	\$8,960			Trucking		\$0	
Rig (Daywork)	\$10,500	Casing Crews	\$0			Welder		\$0	
Orilling Fluid	\$0	Misc Rentals	\$0	····	,	Wellhead		\$0	
Water	\$0	Open Hote Logging	\$0			Surveyor		\$0	
Supervision	\$1,000	Mud Logging	\$0		-	Rat Hole		\$0	
Location	\$0	Float Equipment	\$0			Bits		\$0	
Casing _	\$0	Special Services	\$12,780			Adjustment		\$0	
		·····		· · · · · · · · · · · · · · · · · · ·					



PRESSURE PUMPING SERVICES

CEMENT JOB DETAIL SHEET



Press	ire Pumpling																
custo	MER:			ian Manag			DATE:		August 1		F. R. #:	7005752		TYPE OF .		PAA	
	& WELL NAN		McCah	e Babbitt /	*1		LOCATI OPERA		Sec.,TN,F	3W	SERVICE SUP			TYPE OF V		New Ga	S
L	G CONTRAC		· nulled	ក្សាមានិ			UPERA	ICRC			COUNTY:	Coconir	10	STATE:	Arizona	· · · · · · · · · · · · · · · · · · ·	
MATER	als furnis	HEO:	建作品	Ĭ.	TYPH OF F	rugs	LIS	T CSG, HAS	ROWARE	\$QUÆEZE	TOP				RY PROPERTIES	· · · · · · · · · · · · · · · · · · ·	
					TOP OTTOM		[MAMFOLD	Of	SLURRY	SLURRY	WATER	PUMP	BBL	BBL
全国的				BC	J1(OM		┪			}	EACH	WEIGHT	YIELD	REQ.	TIME	SLURRY	MiX
Bunned	50sx Cemer	t Clase B	ud 14 Co	lolum Chic	ride tui 22	# Colloffaka	_L				FLUID	18/3AL	CUFT	GPS	HR. MIN.	_	WATER
	59 cu ft	If Closs D	WI 175 Ca	ngun one	JIIUU IYI .Sa	om Cellollake					3445'- 3177'	15.60	1.18	5.20	 	10.5	6.19
	vo cu it													 	 		0.00
l													-	ļ	<u> </u>	-	0.00
1											·	 		ļ	 	-	0.00
											···	 		ļ <u>.</u> .	ļ	- -	0.00
														 		+	0,00
1												1		 		+	0.00
AVAILABL	E MIX WATER	500	BBL			e displacement	WATER		500	BBL		·			TOTAL WATER:		6.19
	HOFE				G, CS(., D.P.				,-C8G,-D.P.			1		COLLAR	EPTHS	T	0.12
SIZE	% EXCESS	DEPTH	SIZE	MEIGHT	TYPE	DEPTH	SZE	WEIGHT	TYPE	DEPTM			SHOE	FLOAT	STAGE]	
6 1/4	100%	3445' ASING	7	23.00	55 -CMT (81-8	3406'	3 1/2 PERF 1	13,30 EPTIS	IF D.P.	3437'	OWIECTION			<u> </u>	DELLEGASE.	1180	
SIZE	WEIGHT	TYPE	DEPTH		D&TY E	DEPTH	TOP	воттом		SIZE	THREAD	Į.			WELLBORE		
				T	······································					3 1/2	IF D.P.				ITTE	WEIGHT	
	ATED DISPLAC			CAL. PSI		L. MAX PSI	OP. MAX		TBG. PSI	MAX	ASING PSI			DISPLACEME	NT FLUID	W	TER
TUBING	CASING	CASING	TOTAL	BUNP PLUC	<u> 10</u>	REVERSE	SQ. PSI	RATED	OP	RATED	OP			YPE	WEIGHT		JRCE
23.5	ION TECHNOLE	SETTING TO	OL BURN	CHIOLOS CARRO	ETC. OBIOD	TO CEMENTING		= 1 1 1 1 1 1		<u> </u>	3,000		Fres	h Water	8.33	Custor	er Tank
TIME	PRESSU	AESSURE, R RE-PSI	ATE DETA	L: BBL FLUID	F.UIO	SAFETY MEETI	ia.	CREW	T3	CO. REP	EXPLAN	ATION			77.0.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2		
HR: MINE	PIPE	ANNULUS	BPM	POMPED	TYPE	TEST LINES			2,	000	P\$r						
20:00	}	 	-		 	CIRCULATING V			п	WPS							
20.00					 	Arrive on loc	nuon, sai	ety meen	ng, rig-up				·				
21:16	75	<u> </u>	3,0	50.0	h20	Start H20 ah	nad w/ 50	n bhi H20	<u> </u>								
21:33	100		3,0	10,5	CEMENT					··							
21:37	25	-	2.2	20.5	+20	Start Displac					···-						
21:48	-		-	_		SD, TOH, WO				rs.							
2:30	-	-	-	-	1	Tag Cement											
						1											
														··			
	·																
																	
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	· · · · · · · · ·																
						 	· · · · · ·										
BUMPED	PSI T	ō	TE	ST	TOTAL	BBL CMT.	PSI I	60	TO'	(CP)(Pupp							
PLUG	BUM			OAT	BHL.		LEFT ON			KEY ENERG' CUSTOMER	Y SERVICES RE		ean Mest ir. Andy i				j
	PLUC	3	EQUIE	PMENT	PUMPED	REVERSED	CSG.		I		REP. SIGNATUR		e. Artay E	Mill			Ĭ
					84.0			31	77'			·-· —					1
					THE RESERVE AND PARTY.	THE RESERVE AND ADDRESS OF THE PARTY OF THE											

(922)

Cambrian Management, LTD Daily Drilling Report

WELL NAME:	Babbitt #1					DATE:	8/10/2005		
FIELD:	Angel Bright		-						
AFE NUMBER PURPOSE:									
RIG CONTRACTO	R: United Drilli	ing	RIG NO	•	5		PLISHER	Larry Marque	
PRESENT OPERA		119	- 1110110	·			·	Lusty Manager	
FORECAST:	11011.								
							······	· · ·	
DAY#	10		DEPTH	3400'			FOOTAGE	45	<u>5'</u>
DAILY COSTS:	\$82,611	PRIOR CUM COST:	\$536,69	3	c	UM COST:	\$619,309		·
SUMMARY:					Bit #	1	#2	#3	#4
	w hole to locate casing seat	. TD @ 3400' (10' KB) - 7:30am. C	irculate samp	les to	Size	12-1/4'	8-3/4"	8-3/4"	
		lists. TOH, lay down 4-1/2" DP, DC			Jets	open	none	open	
hrs on casing crew.	MIRU casing crew (4:00pm	i). RIH w/ float shoe, shoe joint (43	.36'), float co	lar, &	Туре Н	IAT417GC	Sec. II type	HP51X	
····		lzers on shoe jt (mid-joint), next 10			_	O8988	729341	PP1029	
(20 turbolizers in all	l). Thread locked top of float	shoe & float collar (top & bottom).	Total pipe w		in @	40	1614'	33551	
float equipment = 3	414,46' (14' In derrick). Atter	mpt to wash casing down as far as	possible to Ir	sure	Out @	1614'	3355'	3400'	
casing was setting	on bottom. Set casing on bo	ttom (3400'). MIRU BJ cementing	equipment.		Hours	52.5	96.5	2,5	
Cement 7" intermed	diate casing as follows: Lead	i - 158 sacks Premium Lite High S	trength w/ .25	#/sk					
Cello flake, 1% bwo	oc FI-52, 2% bwoc KCL, .3#	bwoc CD-32, .1% bwoc R-3, .25#/	sk Max Seal.	Tail					
w/ 146 sacks Type	III Cement w/ .7% bwoc FL-6	32, .4% bwoc CD-32, .2% bwoc R-	3, 25#/sk Ce	llo					·
flake. Mixed & pum	ped cement @ 6 BPM until l	ast 10 bbls, then slowed gradually	to 1 BPM for	last 5					
bbls (as per instruct	tions). Pressure went to a va	scuum while dropping wiper plug. C	Caught fluid &		1				
re-gained pressure	again briefly (pressure rose	to 600psi) but pressure dropped o	ff quickly (will						
attatch BJ pumping	report). RD/MO cementers.	. WOC. Line up welder to cut off c	asing.						
	···,,,						•		
· · · · · · · · · · · · · · · · · · ·									
							· · · · · · · · · · · · · · · · · · ·		
, , , , , , , , , , , , , , , , , , , ,				·		·····			
Mud Welght	Rolary	Pump SPM							
Mud Viscosity	Wt on Bit	Pump PSI		·		·			
Mud PH	Mud WL								
									
Rig (Footage)	\$0	Cementing	\$0		Tr	ucking		\$0	
Rig (Daywork)	\$10,500	Casing Crews	\$7,877			elder	-	\$0	
Drilling Fluid	\$0	Misc Rentals	\$1,700		_ w	ellhead	-	\$0	
Vater	\$0	Open Hole Logging	\$0		Sı	irveyor	-	\$0	
Supervision	\$1,000	Mud Logging	\$625		_	at Hole	•	\$0	
.ocation	\$0	Float Equipment	\$0		Bi [*]		•	\$6,100	
Casing	\$46,575	Special Services	\$4,300			ijustment	-	\$0	
					_		-	,	

CEMENT JOB REPORT



	McCabe	Energy	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		DATE 08-	UG-05	F.R.#	216434	908	s	ERV, SUPV.	LOUIS	V SHELBY	•
LEASE & WEL		06000			LOCATION	N COUNTY-PARISH-BLOCK Coconino Arizona								
BABBITT 1 DISTRICT	1 - API 020	n9 ⊼00 2	วรบบบบ		1	3 CONTRACTOR RIG # TYPE OF JOB								
Farmington	<u> </u>	<u> </u>		· ····································	Ţ		Long Siring PHYSICAL SLURRY PROPERTIES							
	R TYPE O				CSG-HARDW		SA	CKS	SLURRY	SLURRY		PUMP	Bbl	Bbl
Cement Plug	, Rubber	Top	7 in		with Pins, 7 i Cement No:		c	F	WGT PPG	YLD FT3	GPS	TIME HR:M(N	SLURRY	MIX WATER
		MΔ	TERIAL S E	URNISHED B		30, 7 H4	OLA	1441	rru	F1-		CALCUMICA		WAI EX
		ma.	I ENIALS F	OKINGIIED 9	1 100				0.4		-	<u> </u>	1 2/	1
Rig Water									8.4 8.4				20	
Mud Clean I									8.4			 	20	
	Rig Water							155	12.5	2.0	2 9.96	3 03:00	55.68	ļ
	Premium Lite Hi Strength FM							150	14.5	1.3		01:30	37.22	
Type III + Ac	gonives							100	8.4	1.3	9 0.72	01.30	123.25	
Rig Water									0.4		<u> </u>	1		1
Available Mi		800	Bbl.	Available Di	spi. Fluid		3bl.				тот		276.15	61.0
AIR T	HOLE % EXCE	66	DEPTH	SIZE	WGT.	TBG-CS	YPE	DEP	rtu .	GRADE	SHOE		DEPTHS	STAGE
SIZE 8.75	90	-	3410	3166		30 CSG	<u></u>		3390		34		3364	
	AST CAS	NG		PKI	R-CMT RET-B	R PL-LINE	R	PERI	F. DEPTH	To	P CONN		NELL FLUI)
SIZE WG			DEPTI	1	AND & TYPE		DEPTH	TOP	BTM	SIZE	THREAD	TYPE		WQT.
9.625	40		160	<u> </u>							7 8RND	FRESH	NATER	8.5
DISPL, VO	LUME		DISI	Ļ, FLUID	CAL. P	SI CAL.	MAX PSI	OP. MA	AX MA	AX TBG PS	l M	ÁX CSG F	·sı	MIX
VOLUME	UOM		TYPE	WG	r. BUMP PL	UG TO	REV.	SQ. PS	SI RATE	:D Орег	ator RAT	ED 0	perator	WATER
132.5	BBLS	Rig V	Vater		8.4 8	50	0		0	0	0 4	1360	3488 R	lg tank
	•						ļ			ŀ		[
EXPLANATION	N: TROUB			RATE DETAIL	CSG, ETC. PI	RIOR TO C	EMENTIN	G: 	· • · · · · · · · · · · · · · · · · · ·		EXPLANATION	DN .	······································	·
TIME	PRES	SURE	- PS)	RATE	861. FLUID	FLUID	SAF	ETY ME	ETING: B.	CREW	CO. REP.	[X]		
HR:MIN.	PIPE	A	NNULUS	В₽М	PUMPED	TYPE		LINES	IG WELL -	3500 PSI	(\ BJ	[X]		
20:30				· · ·					@ 8:30 pm					
23,00								ly meeti		.,	<u> </u>		,	
23:24							Pres	sure tes	t lines to 3	500 psi				
23:31	2	00	0	5.5	1	H20	Start	20 bbls	H20					
23:34	2	00	0	5,5	20	MC	Start	20 bbls	mud clear	n				
23:38		00	0	5.5	20	H20		20 bbls						
23:42		10	0	5.8	20	H20			lead cmt		·			
23:52	3:	20	0	5.8	56				tail cmt @	14.5 ppg				
23:57	- 4	0	- 0	. 0	37	CMT H20			Drop plug obls H20 di	lankaama				
00:01 00:35		00 30	0	6 1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	H20			opis 1120 di sure 30 ps		11.			
00:35		20	0	0	132.5				Check floa					
771,00		-			102.0	- 1			cmt to pit) :				
l			TEST	BBL,CMT	TOTAL	PSI		POT	1				·	
	DCI TO	- 1	FLOAT	RETURNSI	BBL.	LEFT Q CSG	N TOI	POUT			ISOR SIGNAT			
BUMPED PLUG	PSI TO BUMP PLUG			REVERSED			1		1 1		. //	///		
PLUG		<u></u> [EQUIP.	REVERSED 0	PUMPED 286	0	Y	N	10	w	Ah	M	2	
PLUG	BUMP PLUG		EQUIP.				Y	[N]	1.70	w	. Jh	ell	2	

KEY ENERGY PRESSURE PUMPING SERVICES

CEMENT JOB DETAIL SHEET



922

OCTON	ic Germaliter MEO:	-คราด	Camb-	ian Manag	omon'		DATE		Atternal	0005	E.D.#	700					
	NEK: & WELL NAN	A≓-		e Babbitt #			_DATE: LOCAT	ION:	August 1		F. R. #.	7005756		TYPE OF J	JOB:	9 5/8" S	
	3 CONTRAC		: United	Drilling	* I		OPERA		Sec.,TN,I	KYY	SERVICE SUP: COUNTY:	Coconir		Y TYPE OF V STATE:		New Ga	s
											_CCONTT.	COCOMI		_SIAIE.	Arizona		
MATERI	ALS FURNIS	HEO:			TYPE OF P	LUGS	LBS	T CSG. HAI	RDWARE	SQUEEZE	ТОР		PHYS	CAL SI URE	RY PROPERTIES		
43.55					TOP	1	-			MANSFOLD	OF	SLURRY	SLURRY	WATER	PUMP	BBL	₿BL
				BC	MOTTO		7				EACH	WEIGHT	YIELD	REQ.	TIME	SLURRY	MIX
							7				FLUID	LB/GAL	CU-FT	GPS	HR. MIN.	J. Committee	WATER
Pumped	375sx Lead	Cement Ci	ass B w	2% Sodiu	m Metasilic	ate w/ 2#/sk 0	ilsinite w	1.25#/sk I	Cellofiake		?	12.50	2.06	11.80	124-1614	137.9	105.60
	772.5 cu ft							,			<u> </u>	12.00	2.00	11.00	·	137.9	
													·	<u> </u>		<u> </u>	0.00
Dumpad	300ev Tall C	'amant Cla	ce Darid	It/ Caloium	Chlasidas	wi .25#/sk Celi	la Balsa										0.00
	354 cu ft	rement on	33 D ff)	75 Calcium	Cilionae	m .zomsk cen	ionake				?	15.60	1.18	5.20		63.2	37.23
,	504 Cu 11																0.00
	440																0.00
	110sx Ceme	int Class B	W/ 3% C	aicium Chi	oride for 1	, tob jop					?	15.60	1.18	5.20		23.2	13,67
	129.8 cu ft	****															0.00
AVAJLABLE	MIX WATER	500	BBL			DISPLACEMENT	WATER		500	BBL					TOTAL WATER:	*	156.49
AL INCH	HOLE	1 55			G,-C\$GD.P.			_	CSGD.P.					COLLAR E	EPTHS		
SIZE	% EXCESS		SIZE	WEIGHT		DEPTH	SIZE	WEIGHT	TYPE	DEPTH			SHOE	FLOAT	STAGE	J .	
12 1/4	100% LAST C	1610	9 5/8	36.00	J-55 -CMT RET-EX	1610'	0	0.00	0	0							
SIZE	WEIGHT		L DEDD1		D&TYPE			DEPTHS	Į.		ONNECTION				WELLBORE F	LUab	
SIZE	WEIGHT	TYPE	DEPTH	Brozen	DATIFE	DEPTH	TOP	ВОТТО№		SIZE	THREAD				TYPE	WEIGHT	
CALCHI	<u>i</u> Ated displaci	FMENT WOLLT	LIC- DDI	CAL DOL	1 631	MAX PSI			T00 DBI	9 5/8	8 Round				0	8.34	
TUBING	CASING	CASING		CAL. PSI BUMP PLUG		REVERSE	OP. MAX		TBG, PSI OP		CASING PSI	<u> </u>		DISPLACEME			ATER
100410	OHORICO	- Onones	IOIAL	DOINT FEEC	, ,,	REVEROE	3Q. P31	KATEU	UP	RATED	OP			YPE	WEIGHT	1	URCE
ΕΧΡΙ ΑΝΔΤ	ON-TROUBLE	SETTING TO	O PINA	NO CASENO	ETC DOVID	TO CEMENTING				<u> </u>	2,000		Fresi	n Water	8.33	R	g Pit
					,				İ								
. 11/11/14	The first No. Was again.	and the second			TANGGA BARK		g seddyn di Ste	A PORTON									
		RESSURE, R									EXPLAN	MOITA					
TIME HR: MIN:	PRESSU		RATE	8BL FLUID		SAFETY MEETS TEST LINES	NG	CREW			2						
nn; max.	PIPE	ANNULUS	BPM	PUMPEO	TYPE	CIRCULATING V	1511 DIO		<u> </u>	,000	PSI						
9:00	-		-		 	Arrive on lo		fahr maati		WPS	0						
10:40	150	 	5.0	40.0													
10:48	150	 	5.0	30.0	H2O	Start H20 w/				.eı							
10:54	150				H2O	Start H20 w/											
		-	5.0	138.0	†	Start Lead C											
11:22	150		4.0	63.2	CEMENT			3.2 bbl sl	urry (300s:	x)							
11:38			<u> </u>	-		SD, Drop Pit											
11:43	150		4.0	121.2	H2O	Start Displac	cement w/	121.2 bb	H20								
12:15	650	-	-	-		SD, Plug bur	nped 🚱 6	50 psi, Fl	oat Held O	К							
	-	-	-	-		Rig-up for 1'	top job					****					
13:42	100	-	1.2	2.0	H2O	Start H20 Ah	ead w/ 2.0	bbl to cl	ear pipe								
13:45	100	- 1	1.2	23.2	CEMENT	Start Cemen	t w/ 23.2 t	bl slurry	(110sx)								
14:05	-		- "	-		SD, NO MOR			<u> </u>								
						1		-									
																	
		 			 	 											
		 			 												
		 															
						ļ											
		ļ <u> </u>															
			i														
Ţ																	
																	
																	-
UMPED	PSIT	。	TF	ST	TOTAL	BBL CMT.	PSI	e i	OT TO								
PLUG	BUM			OAT	BBL.	RETURNS!	LEFT ON				Y SERVICES RE		ean Mest	as/Jody Dar	by		
1	PLU		EOUBLIEUT COSTOME						ir. Andy li	rwin							
Yes	650	, 		es	417.6	0.0	0		?	COSTOMER	REP. SIGNATUR	₹≥;					
100	700				417.0	U.U	Ų	ı	T	l							1





PERMIT TO DRILL

This constitutes the permission and authority from the

OIL AND GAS CONSERVATION COMMISSION, STATE OF ARIZONA,

To:	HC	CABE ENERGY INC. #1 B	ABBITT	
		(OPERATOR)		
		to drill a well to be kno	own as	
		#1 BABBITT		
		(WELL NAME)		
located		1980° FSL & 1980°	FWI,	
Section9	Township27	Range 9E ,	COCONINO	County, Arizona.
The		N 1/2 SW QTR		of said
Section, Townshi	p and Range is o	dedicated to this well.		
Said well is in full compliance	to be drilled sub e with all applica		ne attached Applicati and regulations of th	on and must be drilled se State of Arizona.

State of Arizona
Oil & Gas Conservation Commission

Permit to Drill

FORM NO. 27

00922

RECEIPT NO. 3/28

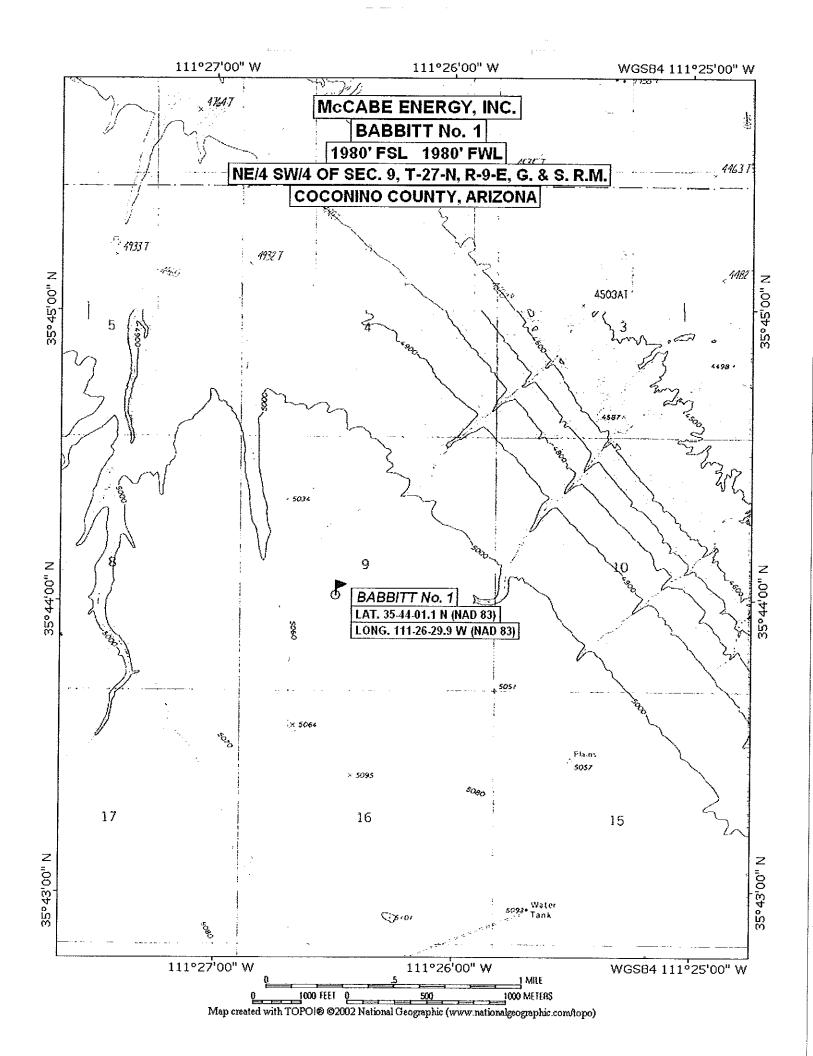
A.P.I. NO. 02-005-20035

PERMIT

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

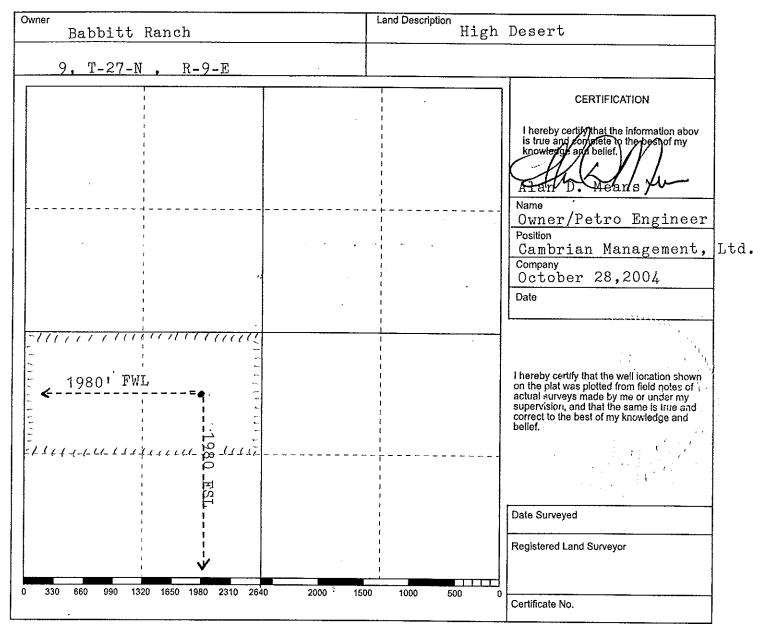
APPLICATION TO DRILL	ĹΧ		R	E-ENTER O	LD WELL	
NAME OF COMPANY OR OPERATOR						
McCabe Energy, Inc.						
Address PO Box 3816		City	Midland	State TX	79702Phone Numbe	, 432/6 82-9653
		·				
Drilling Contractor United Drilling						
Address PO Box 2488, Roswe	11,	NM 882	202			
	DES	CRIPTION OF	WELL AND LEASE			
Federal, State or Indian Lease Number, or if fee lease, no	ame of lesso	or	Well number Babbitt #1		Elevation (ground) tbd	
Nearest distance from proposed location to property or le	ase line:		***	cation to nearse	t drilling, completed or applied	i-for
198	0	foot	Hall Off the Statio lease.	N	/A	foot
Number of acres in lease		feet	Number of wells on lease, i	ncluding this we	ell, completed in or drilling to ti	feet his reservoir:
640				0		
If lease purchased with one or more wells Nam	18		Ado	fress		
drilled, from whom purchased.	N	I/A				
Well location (give footage from section lines) 1980 FSL & 1980 FWL		Section - Towns 9 , T-27	hip - Range or Block and Sun $(-N, R-9-E)$	/еу	Dedication per A.A.C. R12-	
Field and reservoir (if wildcat, so state)			County			
Wildcat			Coconin	10		
Distance in miles and direction from nearest town or post 3 miles NNE of Gray M		in				
Proposed depth:	f	cable tools	otary	Approximate	date work will start ber 22,2904	
5000	Organizati	ion Report	out y	Filing Fee of	· · · · · · · · · · · · · · · · · · ·	
Bond status On-file \$10,000	On file	•	attached	Attached C	210	
Remarks Certified plat f	rom t	the surv	эуог as soor	as it	is ready.	
CERTIFICATE: I, the undersigned, under the p	enalty of p	•			Tech Agent	. of the
McCabe Energy, Inc. report was prepared under my supervision and d	liraatian an		/ /		y to make this report; and	}
report was prepared under my supervision and o	ili ection at	io that the lacts	stated inerempare true, or	onect and cor	inplete to the best of my ki	iuwiedge.
API# 02-005-20035			JA JA	Tif	'fany Grant	
Mail completed form to: Oil and Gas Program Administrator Azizona Geological Survey 416 W. Congress, #1000 Tucson, AZ 85701-1315			oct ober Date	28, 20	104	
Permit Number: 922				STATE OF	ΔΡΙΖΟΝΔ	
Approval Date: 10-29-04					ATION COMMISSIO	N
Approved By: SCRau	2				rill or Re-enter	
NOTICE: Before sending in this form be sure that you requested. Much unnecessary corresponde	have given	all information s be avoided.	Form No. 3	File Two	Copies	

1. Operator shall outline	on the plat the acr	eage dedicated to the	well in compliance with A.A.C	R12-7-107.	
2. A registered surveyor	shall show on the p	olat the locatin of the v	well and certify this informat	ion in the space provided	
3. ALL DISTANCES SHOW	N ON THE PLAT MUST	BE FROM THE OUTER	BOUNDARIES OF THE SECTION	۸.	
4. Is the operator the o	only owner in the dec	dicated acreage outlined	on the plat below? YES_	X	
5. If the answer to que	stion four is no, hav O If the c	e the interests of all o inswer is yes, give type	wners been consolidated by of consolidation.	communitization agreemen	nt or otherwise?
6. If the answer to que	stion four is no, list	all the owners and the	ir respective interests below:	:	
Owner McCABE ENERGY, INC.				/4 SEC. 9, T-27-N, R- COUNTY, ARIZONA	9-Е, G. & S.R.M.,
BABBITT No. 1			1980 FSL 1980 FW		
SEC. CORNER FD. 2 1/2" B.C. U.S.G.L.O. 1916		9 LAT. 35'44'01.1" N LONG. 111'26'29.9'	(NAD 83) W (NAD 83)	CERTIFIC I hereby certify that the inform complete to the best of my known in the complete to the best of my known in the complete to the best of my in the control of the complete in the control of th	ation above is true and sovietide and belief. Ry About ANAbout DN7 accition shown on the plat of actual surveys made by and that the same is true
SEC. CORNER FD. 2 1/2" B.C. U.S.G.L.O. 1916 330 660 990 1320 Size of Casing Weigh	5289. 1650 1980 2310 2	12'06" E 39' (M) 2000 15 PROPOSED CASING P Top Bottom		Certificate Number 193	



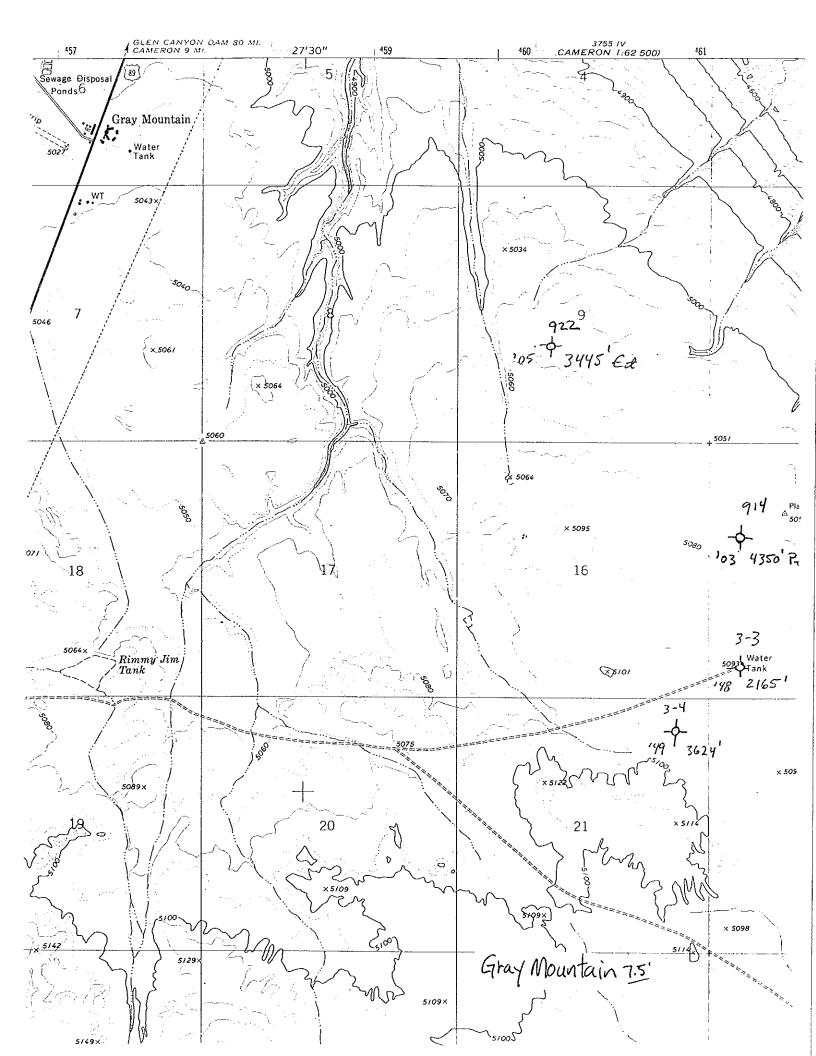
- 1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
- 2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
- 3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- 4. Is the operator the only owner in the dedicated acreage outlined on the plat below? YES XX NO _____
- 5. If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise?

 YES ______ NO _____ If answer is yes, give type of consolidation _______
- 6. If the answer to question four is no, list all the owners and their respective interests below:



PROPOSED CASING PROGRAM

	Size of Casing	Weight	Grade & Type	Тор	Bottom	Cementing Depths	Sacks Cement	Туре
urf	ace 9 5/8"	36#	J or K55	0	1600	1600 to surf	460	Premium light hi-strength
rod	. 7"	20#	J or K55	0	3390	3390 to surf	302	Type 3 Same as above



McCabe Energy Babbitt #1

Drilling Procedure



- 1. Set conductor pipe at 40', and drill mouse and rat holes.
- 2. Move in and rig United Drilling.
- 3. Drill12 1/4" hole to 1600' utilizing air/mist. Anticipate severe losses on water at 400'+/-.
- 4. Load hole with fresh water and POOH.
- 5. Rig up casing crews and run 1600' of 9 5/8" casing. Casing jewelry: 10 centralizers, Texas Pattern shoe, and float first joint above shoe.
- 6. Rig up B J Services cementers and cement 9 5/8" casing as follows: 213 sacks Premium Lite High Strength w/ 2% CC, .25 #/sk Cello flake. Tail in with 247 sacks Type Ill Cement w/ 1% CC, .25 #/sk Cello flake. Bring extra 100 sacks of neat cement to 1" down backside.
- 7. Wait on cement 4 hours, start nippling up wellhead and BOP's. Rig up rotating head and valve in rig flow line.
- 8. Pick up 8 3/4" bit and drill out float collar and shoe.
- 9. Drill 8 3/4" hole with air/mist until water flows are encountered at approximately 3100'.
- 10. Geologist will pick casing point at the base of the Bright Angel Shale at approximately 3390'.
- 11. At intermediate TD pump reserve pit into well and pull out of hole with drill pipe and collars.
- 12. Rig up casing crews and run 7" casing to TD at 3390'+/-. Casing jewelry: 12 centralizers, Texas Pattern shoe and float collar first joint above shoe.
- 13. Rig up B J Services cementers and cement 7" intermediate casing as follows: Lead slurry-156 sacks Premium Lite High Strength w/ .25 #/sk Cello flake, 1% bwoc Fl-52, 2% bwoc KCl, .3% bwoc CD-32, .1% bwoc R-3, .25#/sk Max Seal.

Tail in with 146 sacks Type III Cement w/ .7% bwoc FL-62, .4% bwoc CD-32, .2% bwoc R-3, .25#/sk Cello flake.

- 14. WOC 8 hrs.
- 15. RIH 6 ¼" bit and drill with air below 7" casing.
- 16. Drill and flow test Tapeats Formation and Chuar Group, approximate TD 4500' with possibility of drilling to 5000'.
- 17. POOH with bit and drill pipe and open hole log from TD to base of casing at approximately 3390'.
- 18. Well may be open hole completed in the Tapeats.

Drilling prognosis prepared by:

Cambrian Management, Ltd.

Date: 10/12/04

	REC	EIP	T	Date	e 0	ct 29	7 19 20	04 No.	3128
	Receive	d From	Cau	nbri	an Mo	maseme	nt CM	(Cabo t	-crevey)
	Address	PO	BOX	2	72 1	Willand	17X	79702	2
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8K806 Rediform

(922)

05243 Office AU #

11-24 1210(8)

OFFICIAL CHECK

SERIAL #: 0524307685

ACCOUNT#: 4861-505725

Purchaser: Purchaser Account: 7400538655

MCCABE ENERGY INC

Operator I.D.:

nwtx7918

ARIZONA OIL AND GAS CONSERVATION COMMISSION

October 27, 2004

PAY TO THE ORDER OF

RE:MCCABE ENERGY

\$10,000.00

Ten thousand dollars and no cents

Wells Fargo and Company Issuer 420 MONTGOMERY STREET SAN FRANCISCO, CA 94163 PAYABLE AT WELLS FARGO BANK, N.A. FOR INQUIRIES CALL (480) 394-3122

NOTICE TO PURCHASER-IF THIS INSTRUMENT IS LOST, STOLEN OR DESTROYED, YOU MAY REQUEST CANCELLATION AND REISSUANCE. AS A CONDITION TO CANCELLATION AND REISSUANCE, WELLS FARGO & COMPANY MAY IMPOSE A FEE AND REQUIRE AN INDEMNITY AGREEMENT AND BOND.

VOID IF OVER US \$ 10,000.00

NON-NEGOTIABLE

Purchaser Copy

05243 Office AU #

11-24 1210(8)

OFFICIAL CHECK

0524307685

Operator I.D.: nwtx7918

PAY TO THE ORDER OF

***ARIZONA OIL AND GAS CONSERVATION COMMISSION

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Ten thousand dollars and no cents

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VOID IF OVER US \$ 10,000.00

CONTROLLER

#0524307685# #121000248#4861 5057251

RECEIPT Date Oct 28 102004 No. 3	127
Received From Make Energy Inc.	
Address P.O. Box 3816, Midland TX 79702	
Ten thousand and 100 - Dollars \$10, For Cash performance bond permit 92	000,00
ACCOUNT HOW PAID AMT. OF ACCOUNT Y CASH	
AMT. PAID CHECK / 10,000,000	

8K806 Rediform

ORGANIZATION REPORT

Full Name of the Company, Organization, or Indiv McCabe Energy, Inc. Mailing Address and Phone Number	idual				
•	70700				
P. O. Box 3816, Midland, TX Plan of Organization (State whether organization Subchapter S Corporation	is a corporation joint stock associ	lation, firm or partne	rship, or individual		
Purpose of Organization (State type of business in	n which engaged)				
011 & Gas Exploration and De	evelopment				
, a rootgamenon, give name and address of previ	ous organization				
If a foreign corporation give (1) State where incorporated	(2) Name and mailing address CT - Corporation	s of state agent	(3) Date of permit to do business in state		
Texas	3225 N. Central A	System Avenue	Pending		
	Phoenix, AZ 8501		rending		
Principal Officers or Partners (if partnership)	TITLE	·	P. O. Box 3816		
NAME Edward T. McCabe	President & Secre	tarv	1		
	TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT	.cary	Midland, TX 79702		
			*		
DIRECTORS NAME	- -	****	MAILING ADDRESS		
Edward T. McCabe		0. Box 3816	6, Midland, TX 79702		
CEPTIEICATE I the understand and I		77			
CERTIFICATE I, the undersigned, under the pening of the Energy, Inc.	· ·		of the		
	(company), and tha	it I am authorized by	said company to make this report; and that this		
report was prepared under my supervision and dire	cuon and that the facts stated the	rein are true, correct	and complete to the best of my knowledge.		
		- www.	-1.1.cole		
		gnature			
	0c	tober 27, 2	004		
	Da	ite			
		:	STATE OF ARIZONA		

Mail completed form to Oil and Gas Program Administrator Arizona Geological Survey 416 W Congress., #100 Tucson, AZ 85701

OIL & GAS CONSERVATION COMMISSION

Organization Report File One Copy

Form No. 1



416 W. Congress, Suite 100 Tucson, Arizona 85701 (520) 770-3500 www.azgs.az.gov



M. Lee Allison Director and State Geologist

September 29, 2006

Gregory L Hair Executive Vice President McCabe Energy Inc. PO Box 3816 Midland TX 79702

Re: Release of Cash Bond #1 Babbitt well, State Permit 922

Dear Mr. Frei:

I have attached payment (warrant number 211434253) of the \$10,000 cash bond posted by McCabe Energy Inc. for the referenced well.

Records of the Oil and Gas Conservation Commission indicate that McCabe Energy Inc. drilled and plugged the well and has no outstanding drilling, plugging, or reporting obligations with respect to the referenced well so the bond is now available for release.

Sincerely,

Steven L. Rauzi

Oil and Gas Program Administrator

Enclosure: Warrant #211434253

SC Rains



416 W. Congress, Suite 100 Tucson, Arizona 85701 (520) 770-3500 www.azgs.az.gov



M. Lee Allison Director and State Geologist

September 14, 2006

Gregory L Hair Executive Vice President McCabe Energy Inc P O Box 3816 Midland TX 79702 922

Re:

McCabe Energy #1 Babbitt well; State Permit #922

Dear Greg:

This will acknowledge your letter of September 11 with attached mud log and second page of the completion report for the referenced well. I will initiate release of your cash bond upon receipt of the washed and dried samples

Sincerely,

Steven L. Rauzi

Steve

Oil & Gas Administrator



416 W. Congress, Suite 100 Tucson, Arizona 85701 (520) 770-3500 www.azgs.az.gov



M. Lee Allison Director and State Geologist

September 14, 2006

Memo:

Mary Andrade, Administrative Assistant

Copy:

Beverley Donahue, Administrative Services Officer

From:

Steven L. Rauzi, Oil and Gas Administrator

Re:

Release of \$10,000 McCabe Energy cash bond

McCabe Energy Inc. posted a \$10,000 cash bond in October 2004 for the #1 Babbitt well (State Permit #922). McCabe Energy Inc. submitted a written request for release of the cash bond on September 11, 2006.

Records of the Oil and Gas Conservation Commission indicate that McCabe Energy Inc. drilled and plugged the well and has no outstanding drilling, plugging, or reporting obligations with respect to the #1 Babbitt (State Permit #922) so the bond is now available for release.

McCabe Energy Inc. is in the system as a vendor. Please make the refund check out to McCabe Energy Inc. and I will mail it to McCabe Energy Inc. with a cover letter upon receipt of the refund check. Thank you.

Attachments to this memo include:

- Receipt for the McCabe Energy Inc. cash bond for Permit 922
- Vendor set up for McCabe Energy Inc.

MCCABE ENERGY, INC.

(432) 682-9653 Office Edward T. McCabe P.O. Box 3816 Midland, Texas 79702

(432) 682-0503 Fax

September 11, 2006

Steve Rauzi
Oil and Gas Conservation Commission
416 W. Congress, Suite 100
Tucson, Arizona 85701

RECEIVED
SEP 1 4 2006

Steve,

Enclosed is a copy of the mudlog on the McCabe Energy Babbitt #1 well in Coconino County. Also enclosed is the completed form #4 with the formations encountered in the well. Under separate cover we will be sending two sets of cuttings from this well. I believe that this material satisfies our reporting requirements for this well. Because our operations in Arizona have concluded, I would like to request that we be released from our bond and the bond refunded as soon as practical. Additionally I would like to thank you for all of the assistance you offered on this well and throughout our exploration efforts in Arizona, it was truly appreciated.

Singerely,

Gregory L. Hair

Executive Vice President

STATE: ARIZONA **COUNTY: COCONINO** API: 02-005-20035 FIELD: WILDCAT WELL CLASS: WF MCCABE ENERGY INC 9-27N-9E C NE SW 1980 FSL 1980 FWL SEC STATUS: D&A

1 BABBITT

<u>SPUD</u>: 07/30/2005 <u>COMP</u>: 08/13/2005 <u>ELEV</u>: 5070 EG <u>TD</u>: 3443 (08/12/2005) <u>FM/TD</u>: TAPEATS <u>DTD</u>: 3443 <u>CONTR</u>: UNITED DRILLING CORPORATION RIG # 5 (VERTICAL)

PROJ DEPTH/FM: 5000 PERMIT # 922 (ST APPD PMT: 10/29/2004) LEASE TYPE: FEE TARGET

OBJ: O&G

DTD: 3443; COMPDATE: 08/13/2005; D&A; NO CORES CUT, NO DST RUN

; <u>CASING</u>: 9 5/8 IN @ 1614,7 IN @ 3400; <u>LOG TYPES</u>: DNL, IL, GR; <u>OPER ADD</u>: BOX 3816, MIDLAND, TX 79702, (915)682-9653;

09/02/2005 CARD# 0001-AZ

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Re: Plug & Abandon

Subject: Re: Plug & Abandon

From: Steve Rauzi < Steve.Rauzi@azgs.az.gov>

Date: Thu, 01 Sep 2005 13:14:14 -0700

To: Tiffany Grant <tgrant@cambrianmgmt.com>



Forms 9 and 10. You'll need to submit Form 9 after-the-fact because I discussed and verbally approved the current bottom hole plug with Andy Irvin by telephone on Friday August 12. If further testing is done then the proposed plugging of that work will need to be added to the existing plug back. Once all testing is finished and properly plugged back in accordance with A.A.C. R12-7-127 then Babbitt Ranches will need to complete and file Form 26. The forms are attached.

Link to oil & gas rules: http://www.azsos.gov/public services/Title 12/12-07.pdf

Tiffany Grant wrote:

Steve,

What forms do I need to file on the Babbitt #1 plug & abandon? I tried to find forms and maybe a checklist on the website, but didn't find any help. Thanks, Tiffany

Tiffany D. Grant

Cambrian Management, Ltd.

P.O. Box 272

Midland, Texas 79702 Office: 432/620-9181 Mobile: 432/425-5165

Fax: 432/570-0102

tgrant@cambrianmgmt.com

V. 78, no. 147

Midland operator preparing to drill Arizona wildcat

IDLAND INDEPENDENT
McCabe Energy Inc has
moved in United
Drilling's Rig #5 to drill a 3500-ft
wildcat in north-central Arizona
about five miles south of the
town of Cameron.

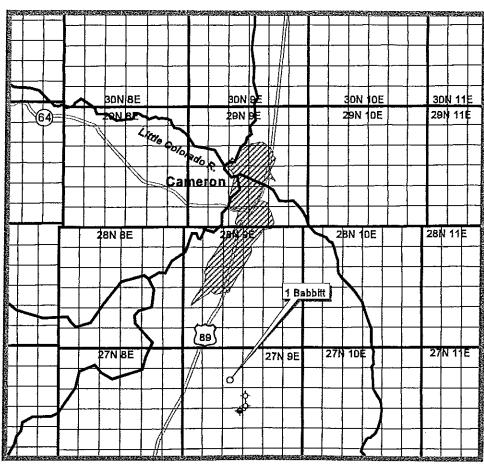
The 1 Babbitt, ne sw 9-27n-9e, east-central Coconino County, is designed to evaluate the Cambrian Tapeats. It's a little more than a mile northwest of the Clayton Williams Energy Inc 1 Babbitt in sw nw 15-27n-9e, which was completed in early 2004 as a 4350-ft dry hole. Williams set seven-inch liner to 3775 ft at that wildcat and perforated Tapeats at 3170-3480 and 3524-34 ft. Production test results were not reported.

McCabe's new venture is within two miles north-northwest of two other dry holes. In 1948, Barron-Steele Co completed the 1 Babbitt-Bar, sw sw 15-27n-9e, as a 2165-ft dry hole. Sample tops at that wildcat include Coconino at 340 ft and Hermit shale at 1740 ft.

In 1949, Lockhart Brothers completed a wildcat (also designated the 1 Babbitt-Bar) in ne ne 21-27n9e as a 3624-ft dry hole. The latter well was cored between 2042 and total depth. Formation tops, measured from a kelly bushing elevation

3622 ft.

The nearest production is approximately 130 miles to the northeast, at fields in the Four



of 5106 ft, include Mississippian "C" at 2715 ft, Martin 2930, Bright Angel 3378, Tapeats 3402 and granite at

Corners region. Upper Valley field, a Kaibab oil pool in southern Utah, is about 135 miles to the north.



8-8-05 Andy Ivvin called

70 intermediate hole at 3356'

Will los from 3356 up to shoe @ 1608'

Drilled tolack shake last few feet.

Lost cit immediately below shoe x when

Stop to surey.

BJ to count in morning.

Key couldn't blend required count at Fam yard.



P.O. Box 272 Midland, Texas 79702 Off: 432-620-9181 Fax: 432-570-0102

July 22, 2005

922

Steve Rauzi Arizona Geological Survey 416 W. Congress, #100 Tucson, AZ 85701-1315

Re: Certified plat for Babbitt #1

Dear Mr. Rauzi:

Enclosed is an official surveyed plat.

Please contact me if I can provide further information.

Sincerely

Cambrian MANAGEMENT, LTD.

Re: Babbitt #1

Subject: Re: Babbitt #1

From: Steve Rauzi <Steve.Rauzi@azgs.az.gov>

Date: Fri, 08 Jul 2005 07:51:48 -0700

To: Tiffany Grant <tgrant@cambrianmgmt.com>

922

Yes, as specified in the conditions upon which the permit to drill was approved and summarized in my letter of October 29, 2004, which is attached. You'll need to notify me 48 hours before spudding the well and keep me informed as to the expected time of running and cementing surface casing. I hope this well hits. Steve

Tiffany Grant wrote:

Steve,

Do we need to fill out any Sundry notices on this well? We plan to spud next week.

Thanks,

Tiff

Tiffany D. Grant

Cambrian Management, Ltd.

P.O. Box 272

Midland, Texas 79702

Office: 432/620-9181 Mobile: 432/425-5165

Fax: 432/570-0102

tgrant@cambrianmgmt.com

7-15-05 Alan Menns called: Expect to Spud Man or Thes next week.

7-19-05 Andy Etvin (432-631-3888) Still building loc + access bl. set 30-40' conductor with small spudder rig. Anticopate moring in his 2-3 days.

Re: Babbitt #1

Subject: Re: Babbitt #1

From: Steve Rauzi < Steve.Rauzi@azgs.az.gov>

Date: Wed, 29 Jun 2005 09:22:25 -0700

To: Tiffany Grant <tgrant@cambrianmgmt.com>

922

Yes I received your letter and it will suffice. Sorry I neglected to acknowledge your letter earlier. Permit 922 remains valid under the conditions listed in my letter of October 29, 2004.

Tiffany Grant wrote:

Steve,

Did you receive my extension letter? Will it suffice? Or do we need to re-permit to drill this well? They are looking to spud the well a week from Monday.

Thanks, Tiffany

Tiffany D. Grant

Cambrian Management, Ltd.

P.O. Box 272

Midland, Texas 79702 Office: 432/620-9181 Mobile: 432/425-5165

Fax: 432/570-0102

tgrant@cambrianmgmt.com



P.O. Box 272 Midland, Texas 79702 Off: 432-620-9181 Fax: 432-570-0102

June 16, 2005

Steve Rauzi
Oil & Gas Conservation Commission,
State of Arizona
416 W. Congress, #100
Tucson, AZ 85701-1315

Re: McCabe Energy, Inc. #1 Babbitt

Permit #: 00922 API #: 02-005-20035

Dear Mr. Rauzi:

Cambrian Management, Ltd, as agent for McCabe Energy, Inc., would like to request an extension for the Permit to Drill dated October 29th, 2004. We have been waiting on a drilling rig and anticipate spudding the well the week of July 1st. The drilling rig company is United Drilling.

I can be reached at the numbers above if you have any questions or require additional information. Thank you for your help in this matter.

Sincerely,

Tiffany Grant Regulatory Analyst

❖€ambrian MANAGEMENT, LTD.

Re: Babbitt #1

Subject: Re: Babbitt #1

From: Steve Rauzi < Steve.Rauzi@azgs.az.gov>

Date: Tue, 14 Jun 2005 07:18:46 -0700

To: Tiffany Grant <tgrant@cambrianmgmt.com>

Six months, but it is possible to extend upon written request.

Tiffany Grant wrote:

Steve,

How long before an Arizona drilling permit expires?

Thanks, Tiffany

Tiffany D. Grant

Cambrian Management, Ltd.

P.O. Box 272

Midland, Texas 79702 Office: 432/620-9181 Mobile: 432/425-5165 Fax: 432/570-0102

tgrant@cambrianmgmt.com





416 W. Congress, Suite 100 Tucson, Arizona 85701 (520) 770-3500 www.azgs.az.gov



Larry D. Fellows Director and State Geologist

October 29, 2004

Mr. Greg Hair McCabe Energy, Inc. P O Box 3816 Midland TX 79702

Re: McCabe Energy 1 Babbitt, Sec. 9-27n-9e, Coconino Co., Permit 922

Dear Mr. Hair:

I have enclosed an approved application to drill, permit to drill #922, performance bond receipt #3127, and filing-fee receipt 3128.

The application is approved on the condition that McCabe Energy conduct its operations in compliance with all applicable statutes and rules of the State of Arizona and that McCabe Energy or its designated representative *notify me at least 24 hours* before you:

- · Move in drilling equipment and commence operations,
- Run and cement surface casing, and
- Nipple up and test the BOPE

An operator shall post a sign at the well site pursuant to A.A.C. R12-7-106 and submit drilling samples and all other well data and information pursuant to A.A.C. R12-7-121. Several Sundry Notice forms are enclosed for your use in reporting all pertinent drilling and testing activity to the Oil and Gas Conservation Commission of the State of Arizona. Daily drilling reports shall detail the spud date, progress and status of the well and shall be submitted to the Commission at the letterhead address on a weekly basis through the completion of operations. Thank you.

Sincerely,

Steven L. Rauzi

Oil & Gas Administrator

5'L Raiz

Enclosures

c J. Dale Nations, Chairman, Oil and Gas Conservation Commission Larry D. Fellows, Director and State Geologist



P.O. Box 272 Midland, Texas 79702 Off: 432-620-9181 Fax: 432-570-0102

October 28, 2004

Steve Rauzi Arizona Geological Survey 416 W. Congress, #100 Tucson, AZ 85701-1315

Re: Application to Drill

Dear Mr. Rauzi:

McCabe Energy has contracted with Cambrian Management to drill the Babbitt #1. Enclosed you will find two copies of the Application for Permit to Drill for the Babbitt #1 and a check for the application fee in the amount of \$25.00.

An official surveyed plat will be forwarded to you as soon as it is available.

Please contact me if I can provide further information.

Sincerely

*Cambrian MANAGEMENT, LTD.

RECEIVED

OCT 2 9 2004

Subject: AZ substitute W-9

From: Steve Rauzi <Steve.Rauzi@azgs.az.gov>

Date: Thu, 28 Oct 2004 08:55:37 -0700

To: gregeol@mccabeenergy.com

12

Greg, Please fill out and return the attached substitute W-9. This is necessary for eventual return of the cash bond. Thanks, Steve $\,$

McCABE ENERGY, INC.

(432) 682-9653 Office Edward T. McCabe P.O. Box 3816 Midland, Texas 79702

(432) 682-0503 Fax

922

October 27, 2004

Mr. Steven L. Rauzi
Oil & Gas Administrator
Arizona Geological Survey
416 W. Congress, Suite 100
Tucson, Arizona 85701

Dear Mr. Rauzi:

Enclosed are our Organization Report and Performance Bond along with a cashier's check in the amount of \$10,000. Please be advised that we have an Application for Authority to do business in the Sate of Arizona currently pending with the Corporation Commission. We spoke with Kathleen Caine in that office, she said the application was in good order and would be approved shortly. We are starting the rest of the process so that our consultant, Alan Means of Cambrian Management in Midland can stake a location and get bids from various contractors. We anticipate commencing the well around December 1 and will be filing an application for a drilling permit shortly.

If you detect any errors or omissions or have a question please feel free to contact me at the number above. Thank you for your assistance in this matter.

Sincerely,

Greg Hair

Executive Vice President

RECEIVED OCT 2 8 2004